

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6069

BILL NUMBER: HB 1054

DATE PREPARED: Feb 22, 2001

BILL AMENDED: Feb 21, 2001

SUBJECT: Claims for unfair claim settlement practices.

FISCAL ANALYST: Chris Baker

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FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill provides that a cause of action may arise from certain unfair claim settlement practices.

Effective Date: July 1, 2001.

Explanation of State Expenditures:

Explanation of State Revenues: This bill may increase the filings of certain civil actions. The filing fee for civil actions is \$100. Of this fee, 70% or \$70 is deposited in the state General Fund if the case is filed in a trial court. If a civil case is filed in a city or town court (providing the court has jurisdiction), the state General Fund receives 55% of the \$100 filing fee.

Explanation of Local Expenditures: Additional filings under this specific cause of action will have a minimal impact on the caseloads of trial or city and town courts. The operating expenses of the trial courts are paid by the county General Fund. The expenses of the city and town courts are paid by the General Fund of the city or town in which the court is located.

Explanation of Local Revenues: If a case is filed in a trial court, the county General Fund receives 27% or \$27 of the filing fee. The other 3% or \$3 is deposited in the General Fund of the cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a circuit, superior, county or municipal court located in the county. If the case is filed in a city or town court (providing the court has jurisdiction), the county General Fund receives 20% while the city or town General Fund receives 25%.

State Agencies Affected:

Local Agencies Affected: Courts of record and some city and town courts.

Information Sources: *1997 Indiana Judicial Report, Vol. I*, p. 83.